

# **News-Democrat & LEADER**

## **200th Anniversary**

**1806-2006**

# **ONLINE EDITION**

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### **Owensboro Grain Biodiesel, LLC breaks grounds, receives checks**

Keith Rogers, executive director of the Governor's Office of Agricultural Policy presented two checks, on behalf of Governor Ernie Fletcher, to Owensboro Grain Biodiesel, LLC at a ground breaking ceremony in Owensboro, Ky. These funds were for the constructing and equipping of a biodiesel production facility that will have the capacity to generate as much as 45 million gallons of biodiesel annually.

The first check was for \$1,151,250 from the Kentucky Agricultural Development Board, chaired by Governor Fletcher, and the second check was for \$5 million from the Kentucky Agricultural Finance Corporation, chaired by Commissioner Richie Farmer.

The Kentucky Agricultural Development Board approved \$1 million as a forgivable loan and \$151,250 in county funds as a grant for Owensboro Grain Biodiesel, LLC. The counties providing funding to the project include: Allen County \$1,000; Barren County \$20,000; Breckinridge County \$5,000; Franklin County \$1,000; Grayson County \$10,000; Hardin County \$20,000; Hopkins County \$1,000; Larue County \$20,000; Shelby County \$10,000; Simpson County \$33,250; Spencer County \$20,000; Todd County \$10,000.

Rogers was in Logan County recently, having lunch at Roy's Bar-B-Q with State Representative Sheldon Baugh.

Every advancement in biodiesel and ethanol production in Kentucky is considered a plus for Logan County grain producers.

The Kentucky Agricultural Finance Corporation (KAFC) loaned Owensboro Grain Biodiesel, LLC \$5 million. KAFC has been able to help with upfront capital so that once the facility is in production they will be able to take advantage of Federal excise rebates that are currently being offered to expand biodiesel production. As this facility starts receiving these rebates the funds will be repaid to KAFC, for future projects.

Owensboro Grain Company (OGC) is a family owned firm founded by Henry E. O'Bryan in 1906. OGC produces edible oils and soy products that include meal, hull, pellets, oil and lecithin. Its products are sold internationally. OGC purchases approximately 30 million bushels of soybeans annually of which 14 million bushels or 26% of total Kentucky production are supplied by thirty counties in Kentucky. Kentucky farmers will not only benefit from the market opportunity of producing soybeans for this facility, but they will also be able to earn rebates on purchases of

biodiesel that originates from this facility.

"I applaud the Owensboro Grain Company for their leadership in making this facility a reality," said Fletcher, "From my efforts in Washington to create incentives for renewable fuels to the assistance of my administration with the capital needs to construct this plant we are making great strides in creating value added markets for our farmers and reducing our dependence on foreign oil."

Agriculture Commissioner Richie Farmer stated, "Biodiesel gives Kentucky soybean growers a new market for their products. They'll get more for their soybeans, and they'll spend some of that new income in their local communities. This plant will have far-reaching economic benefits for this area. I congratulate Owensboro Grain on this momentous occasion and pledge my support for this important project."

"I applaud the leadership that Owensboro Grain has shown in helping further establish bio-fuels production in the Commonwealth. Through investment and efforts such as this, we will strike a blow for energy independence, promote an environmentally friendly renewable resource, and help put Kentucky in the forefront of an exciting new energy sector," Secretary LaJuana Wilcher of the Environmental and Public Protection Cabinet commented.

Kentucky continues to make great strides towards lessening Kentucky's dependence on tobacco production while revitalizing the farm economy by investing 50 percent of Kentucky's Master Settlement Agreement into the Kentucky Agricultural Development Fund. Since the inception of the program in January 2001, the Agricultural Development Board has approved over 2,381 proposals committing over \$201 million to an array of county, regional, and state projects designed to increase net farm income and create sustainable new farm-based business enterprises.

For more information on this project contact John Wright with Owensboro Grain Biodiesel, LLC at (270) 929-1465. To learn more about cost-share grant and loan programs available through the Agricultural Development Fund and the Kentucky Agricultural Finance Corporation contact the Governor's Office of Agricultural Policy at (502) 564-4627.

### **Junior livestock expos get under way**

Hundreds of Kentucky youths will compete for some \$100,000 in premiums as well as other prizes and Kentucky Proud points at the three Kentucky Junior Livestock Expos in June and July.

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## Farmers' Market now open; Kentucky Proud tags available

With Farmers Market season here and people enjoying fruits and vegetables from Kentucky soil, a renewed Kentucky Proud emphasis is underway.

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